

2. Installation of Wellhead Compressors at Location-E & G of Titas Gas Field

1. Objectives : The main objective of the project is to increase wellhead gas pressure in maintaining the gas transmission pipeline pressure.

(Taka in lakh)

2. Project Cost (Estimated)

	Total	LC	FC
DPP :	49550.00	10280.00	39270.00

3. Location of the Project

: Titas gas field, Brahmanbaria Sadar Upazilla, Brahmanbaria.

4. Approval date

:

DPP : Approved by MPEMR on 23.03.2021

5. Financing of the Project

: Company Own Finance.

6. Implementation Period

: March, 2021 to June, 2025.

7. Major Components & Status

i) Engagement of Consultancy Services :

- For engagement of Consultants, a contract was signed with the consulting firm, Pegasus International (UK) Ltd. on 23.05.2021. According to the Contract, local and foreign consultants started work on 13.06.2021.

Signing of contract with technically responsive and financially lowest bidder, Consortium of Zicom Equipment Pte. Ltd. Singapore & AG Equipment Company, USA was approved by the Cabinet Committee on Government Purchase on 08.08.2022. NOA was issued Consortium of Zicom Equipment Pte. Ltd. Singapore & AG Equipment Company, USA on 09.08.2022 and accordingly Acceptance of NOA was sent to BGFCL on 14.08.2022. PG was submitted by the bidder with the Project Office on 07.09.2022. Vetting/opinion on income tax and VAT on the prepared draft agreement was given by NBR on 03.10.2022. Contract signed with EPC contractor on 12.10.2022. Agrani Bank opened the LC in favor of the contractor on 20.02.2023 and forwarded it to the confirming bank Standard Chartered Bank (SCB), Singapore through SWIFT message for Add Confirmation. SCB expressed to unable Add Confirmation of Bangladeshi LC more than worth USD 5.00 million. Besides, Agrani Bank informed BGFCL on 28.03.2023 that its another confirming banks also expressed inability to Add Confirm the aforesaid LC. We have already been contacted with Other foreign banks such as Standard Chartered Bank, Citibank N. A., Bank Alfalah Limited, State Bank of India (SBI) and The Hongkong & Shanghai Banking Corporation Limited (HSBC) for opening of LC in short time at lower cost. Among those banks, Standard Chartered Bank (SCB) and State Bank of India (SBI) sent proposals. BGFCL Board meeting was held on 12.06.2023. BGFCL board instructed MD of BGFCL the followings: determine LC commission & loan margin at Agrani bank for LC opening, discussion with Zicom about LC opening based on Personal Guarantee and discussion/negotiation with SCB in presence of Zicom about cash margin amount, applicable profit on margin, LC commission etc regarding LC Opening. As per aforesaid directive, Discussion/negotiation meeting with Zicom was held on 14.06.2023 and meeting with SCB was held on 15.06.2023. The subject of the LC opening with SCB will be placed before forthcoming board meeting.

- ii) Installation of 6 nos. wellhead compressor of which 3 nos. (2 operational & 1 standby) each having capacity of 40 MMscfd and 3 nos. (2 operational & 1 standby) each having capacity of 25 MMscfd with suction pressure of 350-650 psig & delivery pressure of 1000 psig with associated facilities including installation, testing and commissioning at Location-E & G of Titas gas field.

The work of installing compressors under the project will be under special law.